

**DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS**

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**ADP BULLETIN**

<b>Title</b>  <b>State Fiscal Year 2006-07 Budget Act Allocation, 2.0</b>		<b>Issue Date:</b> August 11, 2006 <b>Expiration Date:</b> N/A	<b>Issue No.</b>  06-10
<b>Deputy Director Approval</b>  <i>(Original signed by Carmen Delgado for)</i>  <b>MICHAEL S. CUNNINGHAM</b> Program Services Division	<b>Function:</b> <input type="checkbox"/> Information Management <input type="checkbox"/> Quality Assurance <input type="checkbox"/> Service Delivery <input checked="" type="checkbox"/> Fiscal <input type="checkbox"/> Administration	<b>Supersedes Bulletin/ADP Letter No.</b>  06-05	

**PURPOSE**

This bulletin transmits funding information for Alcohol and Other Drug (AOD) services for State Fiscal Year (FY) 2006-07. This bulletin includes six exhibits: (1) Funding and Program Overview, (2) Allocation Methodologies, (3) Individual County Summary, (4) Statewide Allocation Summary, (5) Substance Abuse Prevention and Treatment (SAPT) Block Grant Fund Exchange Information, and (6) Funding Periods Chart.

**DISCUSSION**

The FY 2006-07 Budget Act Allocation reflects an increase of \$4.4 million compared to the prior year. The overall increase is the net effect of a \$7.1 million increase in Drug Medi-Cal (DMC) funding and reduction in SAPT local assistance funding totaling \$2.7 million.

FY 2006-07 is the third year of a three-year pilot for SAPT Block Grant funds. ADP will continue to exchange SAPT categorical funds Human Immunodeficiency Virus (HIV) Set-Aside, Perinatal Set-Aside, and Adolescent and Youth Treatment from Minimum Base Allocation counties with populations under 40,000 with equal amounts of SAPT Discretionary funds from the remaining counties. This pilot project is intended to provide small counties with the flexibility to best meet the needs of their clients.

A balance of \$3,000 for Friday Night Live (FNL) programs and \$3,000 for Club Live (CL) programs is available for counties that currently do not receive FNL or CL funds. Requests for these funds must be submitted with the V.1 Budget Amendments. These amendments are required within 60 days of the release of the FY 2006-07 Budget Act Allocation.



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## **HIGHLIGHTS OF THE FY 2006-07 BUDGET ACT ALLOCATION**

- **State General Fund (SGF)**

A total of \$99.1 million in SGF is available. Of this amount, a total of \$69.9 million is designated for DMC services, an increase of \$7.1 million. ADP has budget authority of \$66.6 million for Regular DMC and \$3.3 million for Perinatal DMC services. Included in this increase is \$2.5 million for the reimbursement of claims received as the result of the *Conlan v. Shewry* and *Conlan v. Bontá* lawsuits.

ADP is responsible for complying the court mandates of the Conlan lawsuits. These lawsuits require the DMC program to provide prompt reimbursement to Medi-Cal beneficiaries who incur out-of-pocket expenses for reimbursable services under the DMC program. Upon court order approving the implementation plan, ADP will issue a separate letter detailing the specifics of the lawsuits and implementation plan.

- **SAPT Block Grant**

In FY 2006-07, a total of \$227.3 million in SAPT funds is available. The Federal Fiscal Year (FFY) 2005 SAPT Award included a permanent ongoing reduction of \$510,614. During FY 2004-05 and FY 2005-06, ADP had sufficient funds to absorb this reduction without reducing county allocations. ADP does not have sufficient funds to continue absorbing the reduction. This will result in a \$464,614 ongoing reduction to county allocations. ADP State Operations will be reduced by \$46,000.

The FFY 2006 SAPT Award included a permanent ongoing reduction of \$2.412 million to the SAPT Block Grant Award. This will result in a \$2.2 million ongoing reduction to county allocations. ADP State Operations will be reduced by \$212,000.

For detailed information regarding the methodology used to distribute these reductions, please refer to Exhibits 1 and 2.

## **REFERENCES**

- Assembly Bill 1801, the Budget Act (Chapter 47, Statutes of 2006)

## **BACKGROUND**

Not applicable.

## QUESTIONS/MAINTENANCE

Questions concerning the bulletin and any of the exhibits should be directed to Ms. Julie Munoz, Analyst, Program and Fiscal Policy Branch, at (916) 327-8342. Additional copies of this document and the exhibits may be requested through ADP's Resource Center by calling (800) 879-2772 or through ADP's website at [www.adp.ca.gov](http://www.adp.ca.gov).

## EXHIBITS

1. [Funding and Program Overview](#)
2. [Allocation Methodologies](#)
3. Individual County Summary (County Administrators Only)
4. [Statewide Allocation Summary](#)
5. [SAPT Block Grant Fund Exchange Information](#)
6. [Funding Periods Chart](#)

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